



# State of Accountable Care in 2022

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# *Objectives*



Introduce information about  
Accountable Care Organizations (ACO)



What is the current state of ACO's



What is the future state for ACO's



Q&A

What is an  
Accountable  
Care  
Organization  
(ACO)



# What's an ACO?

- Accountable Care Organizations (ACOs) are groups of doctors, hospitals, or other health care providers, who come together to give coordinated high-quality care to their Medicare patients.
- The goal is to ensure patients, get the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors.
- When an ACO succeeds both in delivering high-quality care and reduce spending it will ***share in the savings*** with CMS.



# Triple Aim

In 2010, the Affordable Care Act (ACA) created the Center for Medicare and Medicaid Innovation (Innovation Center).

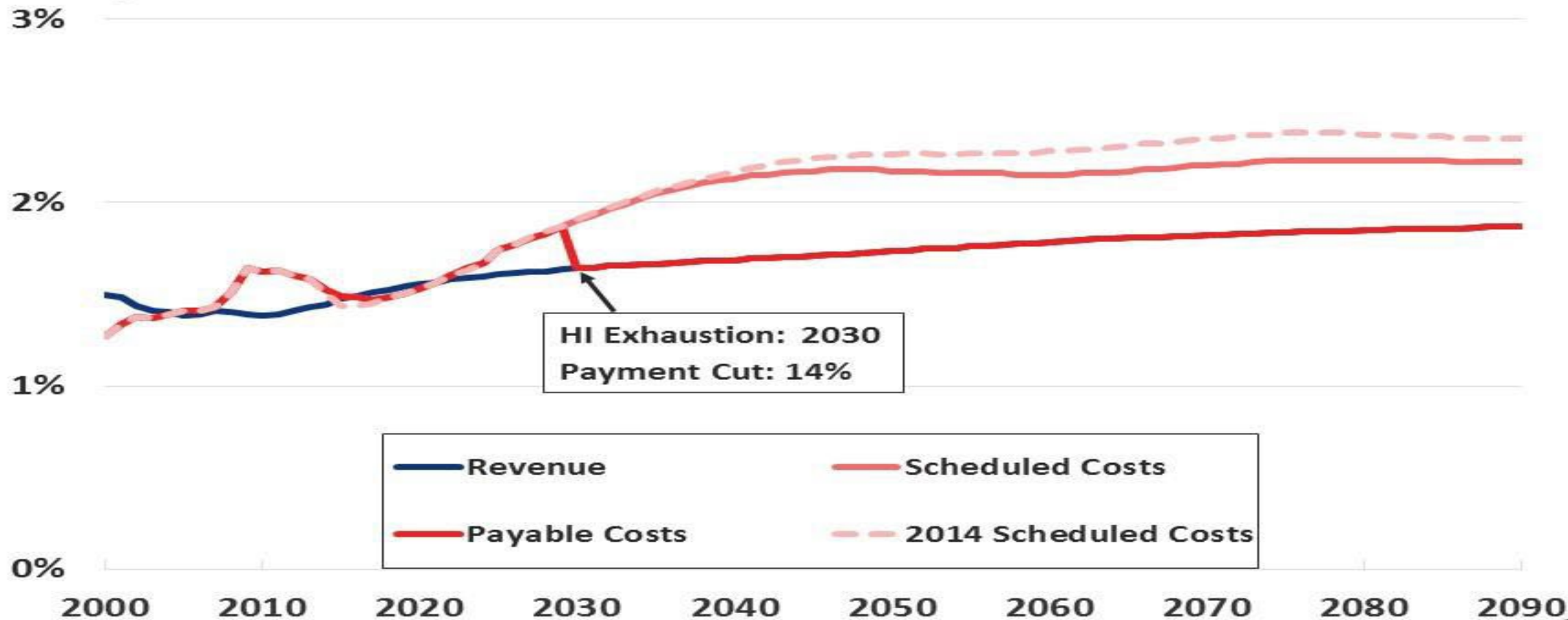
The Innovation Center aims to create a more value-based system that reduces spending while preserving or enhancing quality of care.



# Why are we doing this?

## Hospital Insurance (HI) Trust Fund is Exhausted in 2030

Percent of GDP



Sources: Center for Medicare and Medicaid Services



# Medicare Insolvency

## MEDICARE INSOLVENCY COUNTDOWN

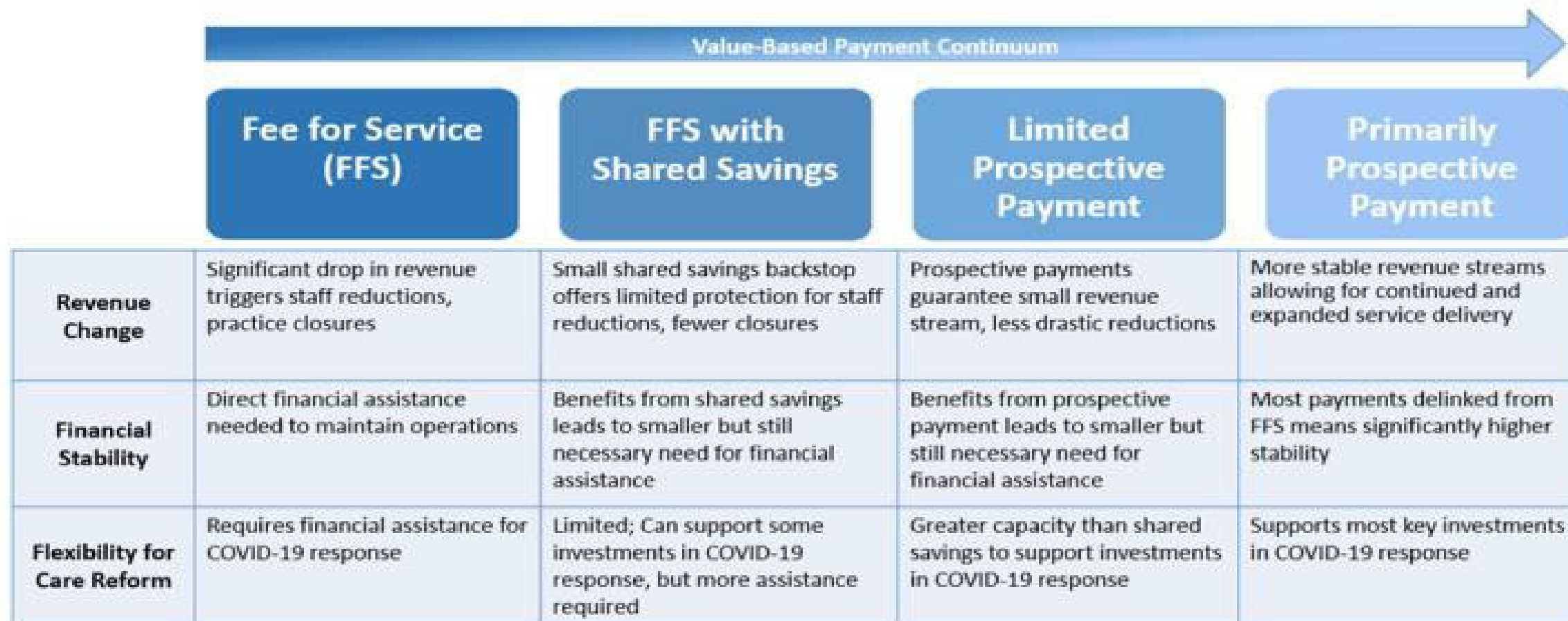
The Medicare system will be forced to start cutting benefits by 2026. What can we do?

YEARS	MONTHS	DAYS	HOURS	MINUTES	SECONDS
04	04	10	13	16	54



Committee for a  
Responsible Federal Budget

## Effects of Value-Based Payment on COVID-19 Response

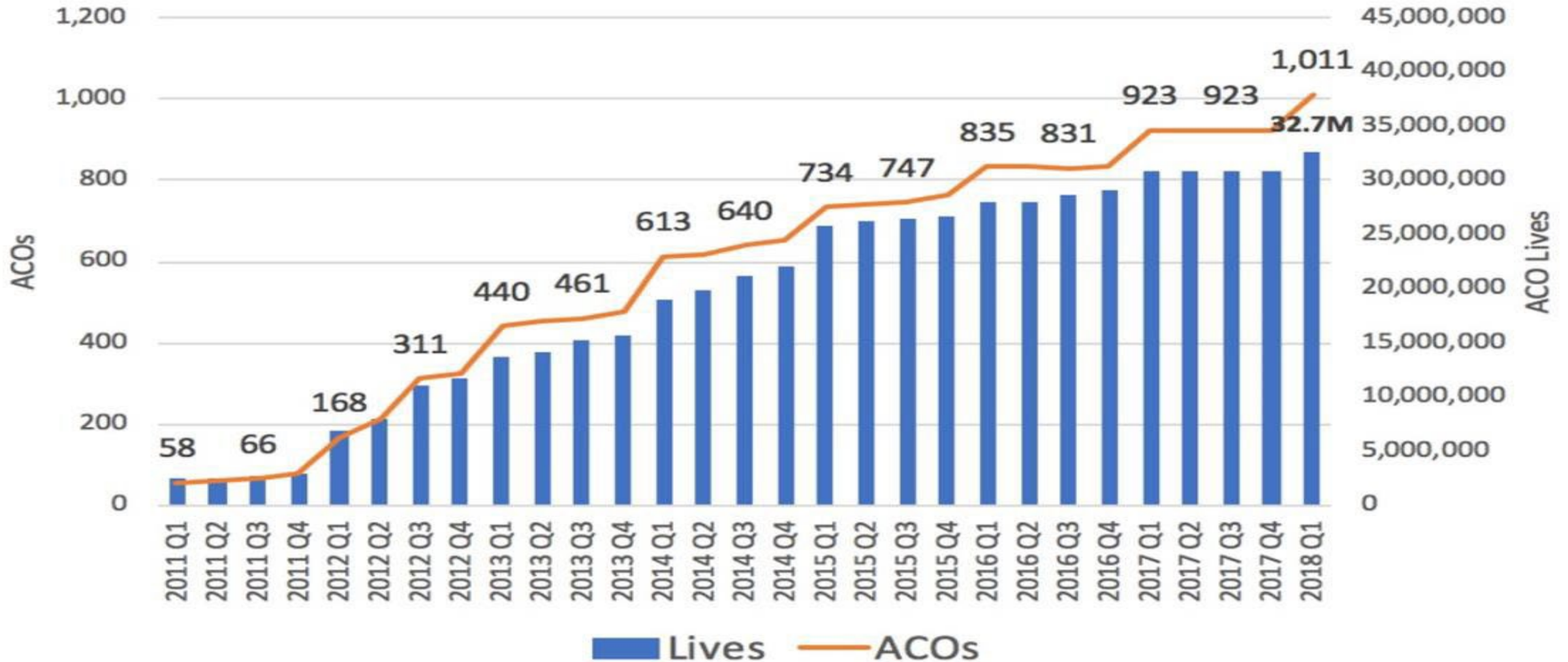


**Figure 1.** Effects of different types of payment models on providers' financial stability and ability to implement new care models during COVID-19 pandemic.

# Accountable Care Contracts and Lives Covered

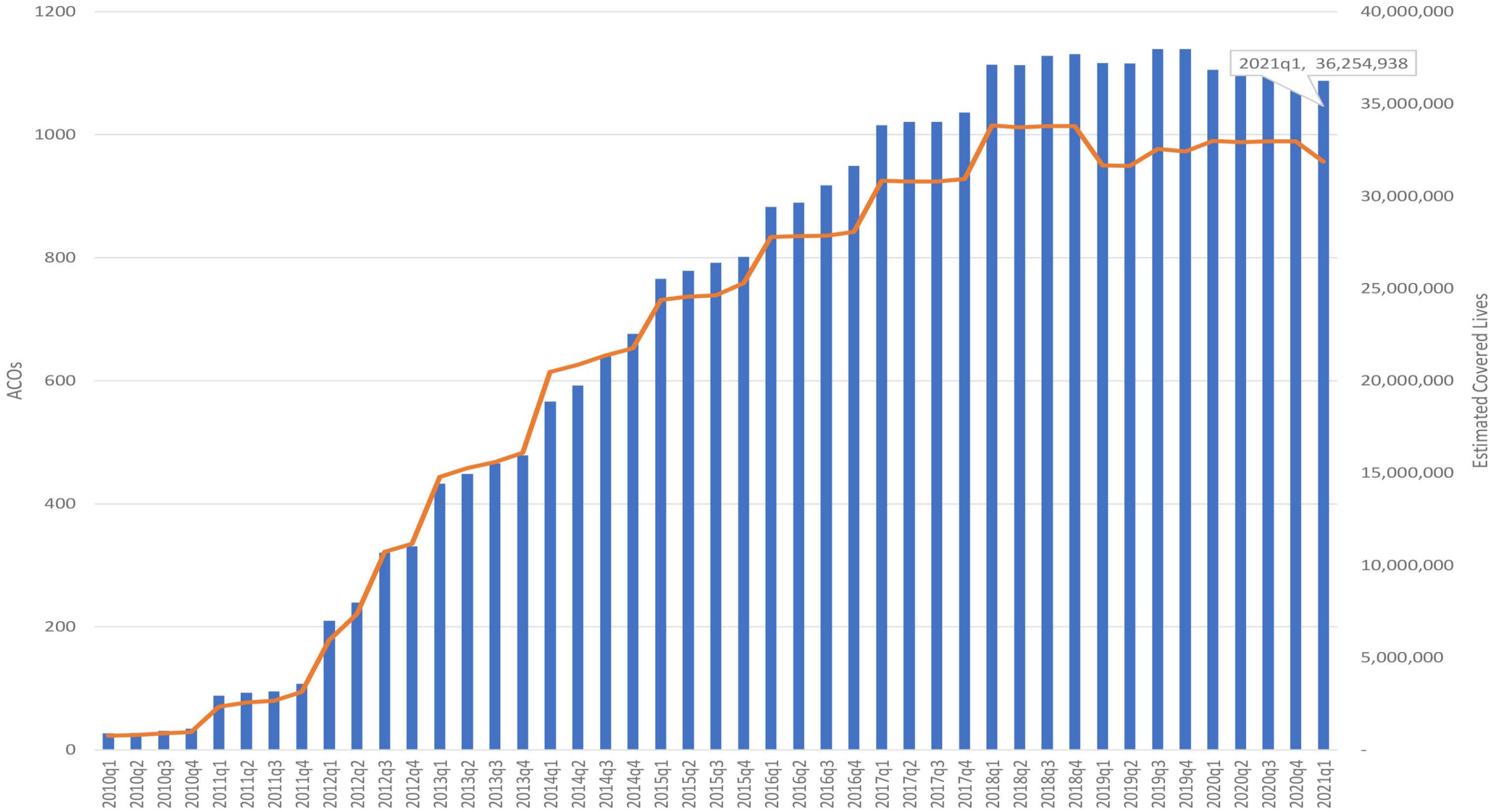
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## ACOs and Covered Lives over Time



Source: Authors' analysis of [Leavitt Partners' accountable care organization \(ACO\) database](#).

# ACOs and ACO Lives Over Time



Of over 50 models & 28 Current models...Only 6 models have reduced costs

- Six models have generated statistically significant savings to taxpayers and Medicare:
  - ACO Investment Model;
  - Home Health Value-Based Purchasing Model;
  - Medicare Care Choices Model;
  - Maryland All-Payer Model;
  - Pioneer ACO Model;
  - Prior Auth for Scheduled Non-Emergent Ambulance Transport Model.



But overall, ACO's are working .....

Since 2012, ACO's have saved Medicare \$ 4.7 Billion, and this is primarily due to better Care Management for the Medicare population

## A GAME THAT NOT EVERYONE WINS

Doctors and hospitals created accountable care organizations to make Medicare recipients healthier, fueling lower costs. But the ACOs have a mixed record of success.

### TOP 5

ACOs with an Illinois footprint that generated the most Medicare savings in 2016

#### Advocate Physician Partners

**\$60.7 million**

Average per Medicare beneficiary: \$434.62

#### USMM Accountable Care Partners

**\$44.5 million**

Average per Medicare beneficiary: \$2,492.99

#### Amita Health

**\$42.0 million**

Average per Medicare beneficiary: \$1,142.52

#### Physicians Accountable Care Solutions

**\$20.9 million**

Average per Medicare beneficiary: \$180.99

#### Medicare Value Partners (Presence Health)

**\$13.4 million**

Average per Medicare beneficiary: \$421.01

### BOTTOM 5

ACOs with an Illinois footprint that generated the least Medicare savings in 2016

#### Franciscan Alliance

**-\$30.0 million**

Average per Medicare beneficiary: -\$494.34

#### Mercy

**-\$7.3 million**

Average per Medicare beneficiary: -\$113.81

#### RHS Regional Health Network\*

**-\$6.9 million**

Average per Medicare beneficiary: -\$766.68

#### Illinois Rural Community Care

**-\$5.4 million**

Average per Medicare beneficiary: -\$261.39

#### HSHS ACO

**-\$4.7 million**

Average per Medicare beneficiary: -\$228.35

“Better, Smarter, Healthier”



## Who Cares?

*Whether you are a patient, a provider, a business, a health plan, or a taxpayer, it is in our common interest to build a health care system that **delivers better care, spends health care dollars more wisely and results in healthier people.***

~Health and Human Services Secretary Sylvia M. Burwell

# WHO?



## Patient attribution

### **Voluntary alignment:**

1. Beneficiaries choose to align to an ACO by designating a Participant Provider affiliated with the ACO as their primary clinician or main source of Care

2. Claims-based alignment: CMS aligns a beneficiary based on where the beneficiary receives the plurality of their primary care services, as evidenced in claims utilization data.

Voluntary alignment takes precedence over claims-based alignment.

Beneficiaries will be eligible for alignment to a ACO if they meet the following criteria:

- Are enrolled in both Medicare Parts A and B;
- Are not enrolled in a Medicare Advantage plan, Medicare Cost Plan under section 1876, PACE organization, or other Medicare health plan;
- Have Medicare as their primary payer; and
- Reside in a county included in the ACO's Service Area.

# Provider Based

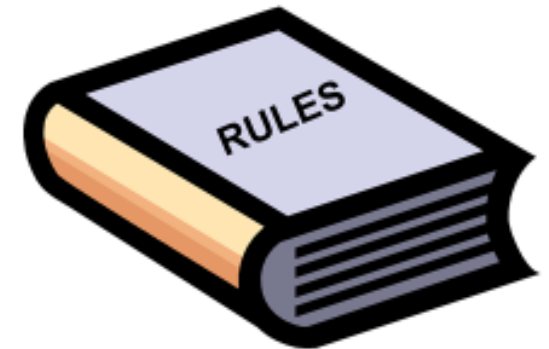
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Fee-for-service Medicare patients who see providers that are participating in a Medicare ACO maintain all their Medicare rights, including the right to choose any doctors and providers that accept Medicare.

906 PAGES

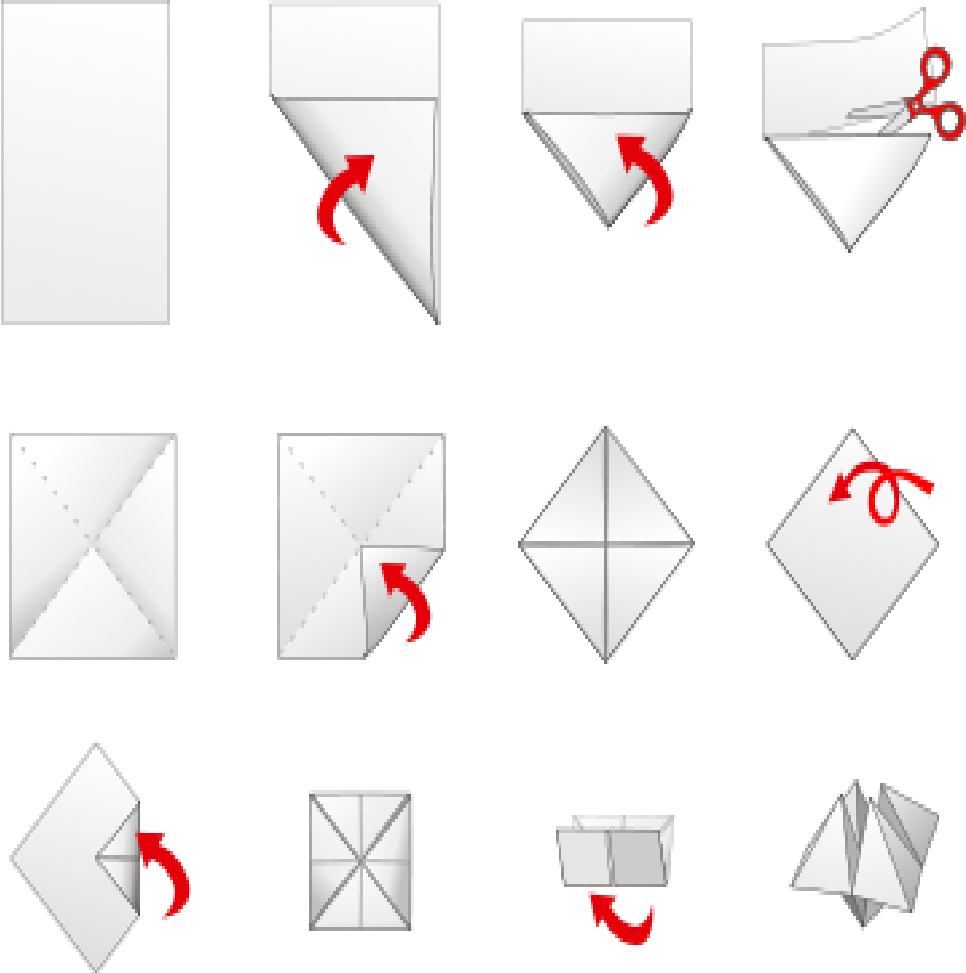
[Post Acute Spending](#)

An Act Entitled The Patient Protection and Affordable Care Act. PUBLIC LAW 111-148—  
MAR. 23, 2010 124 STAT. 119 Public Law 111-148  
111th Congress 906 pages

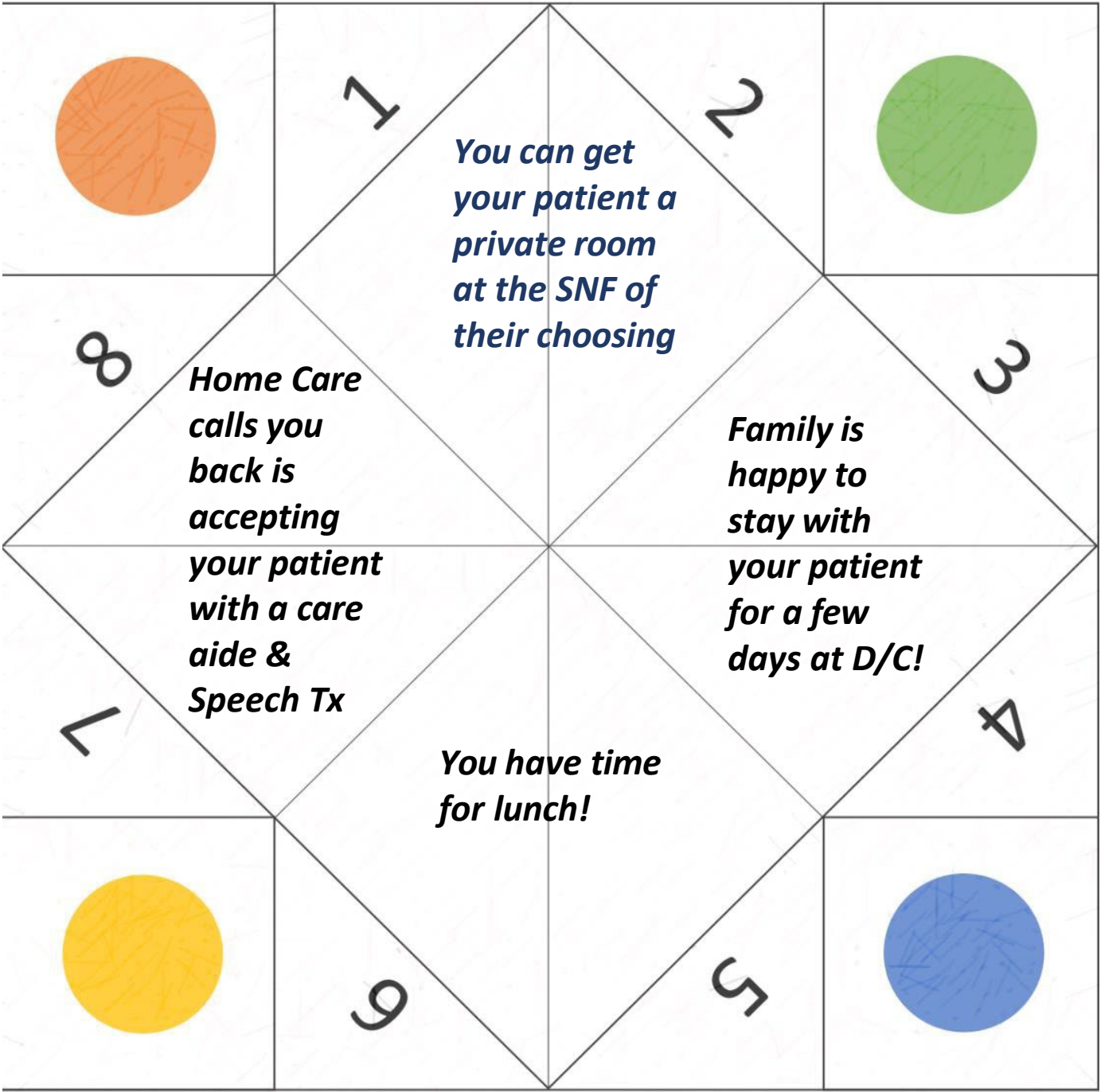


# Game break...

## Fortune Teller= what does the future hold?



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# The Future of ACO's Rebranding underway...



- **REACH ACO model** with deadline of 1/1/2023 (Realizing Equity, Access, and Community Health)
- Improved Health Equity Program- requires health equity plan to advance health equity
- Considers dual Medicaid status important to health equity and rural patients
- All ACOs to collect more robust social determinants of health data
- Tighter risk adjustment Checking on inappropriate risk growth
- Consumer Focus groups on Value Based Care - patients believed ACO = skimping on care
- CMS providing more data analytics
- Testing how some good ideas & innovation from PHE may be continued
- Participating Providers 75% of ACO Boards vs. the 25% current requirement
- Increasing access to ACOs for Medicare beneficiaries
- Possible care disruption anticipated- cost sharing, transportation coverage

# Alignment with Strategic Objectives



Increase the number of people in a care relationship with accountability for quality and total cost of care. **Goal: All Medicare beneficiaries with Parts A and B will be in a care relationship with accountability for quality and total cost of care by 2030.**



Embed health equity in every aspect of CMS Innovation Center models and increase focus on underserved populations.



Leverage a range of supports that enable integrated, person-centered care such as actionable, practice-specific data, technology, dissemination of best practices, peer-to-peer learning collaboratives, and payment flexibilities.



# *Changing tide...*

- ACO's will have until April 22 to apply if they want to be part of a new ACO model

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- ACOs that have a higher proportion of underserved patients will get financial incentives

- More reporting on the equity front that ACOs are going to have to report on, such as demographics and other disparities



## Benefit Enhancements for PY2023

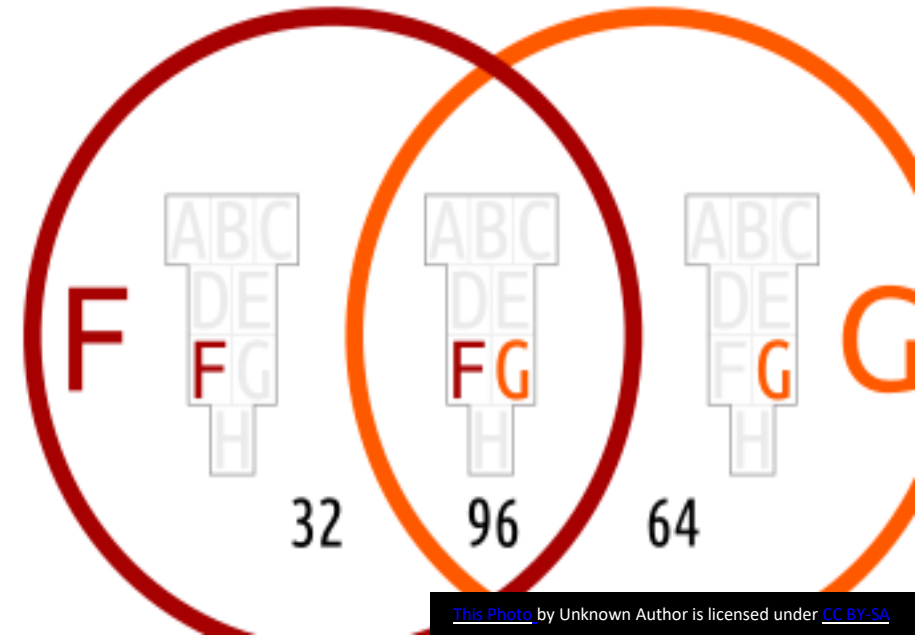
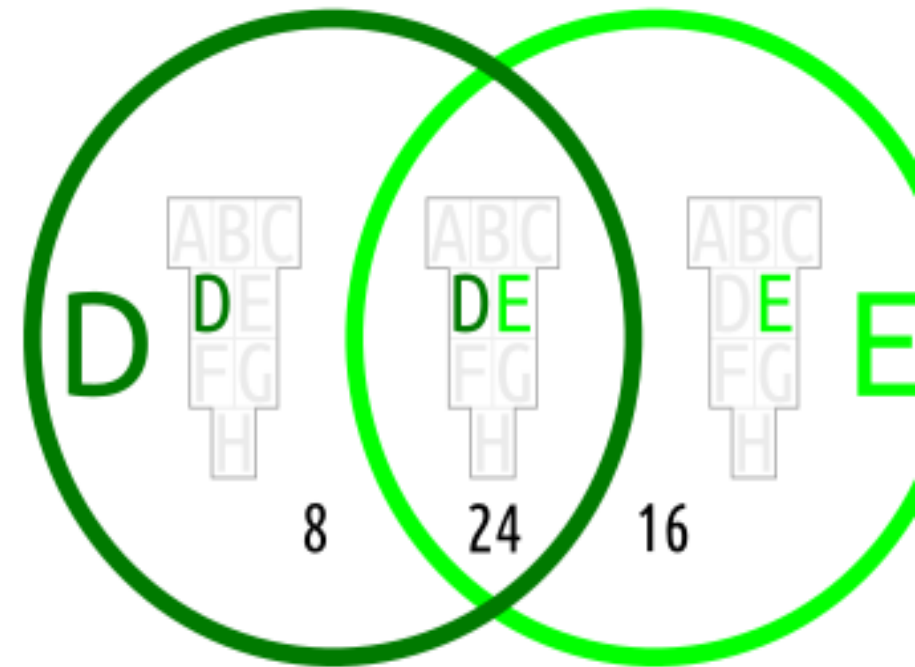
- ACO REACH will continue to offer the same benefit enhancements as available in PY2022 under
- the GPDC Model:
  - 3-Day SNF Rule Waiver Benefit Enhancement
  - Telehealth Benefit Enhancement
  - Post-Discharge Home Visits Rule Benefit Enhancement
  - Care Management Home Visits Benefit Enhancement
  - Home Health Homebound Waiver Benefit Enhancement\*
  - Concurrent Care for Beneficiaries that Elect the Medicare Hospice Benefit

# Bundled Payments for Care

The Bundled Payments for Care Improvement initiative seeks to improve patient care by fostering improved coordination through four broadly defined, patient-centered approaches. Three models involve a retrospective bundled payment arrangement, and one model would pay providers prospectively.

Bundled Payments initiative, providers have great flexibility in selecting conditions to bundle, developing the health care delivery structure, and determining how payments will be allocated among participating providers.

\*90 day episodes



# What Are Some ACO Strategies and Activities....

- Identify specific SNFs in the community that outperform their peer facilities on cost and quality measures.
- Improve transitions between acute care and post-acute care settings identified as an area in need of improvement
- Provide for TCM visits with PCP
- Having care coordinators work with the sickest patients.
- Increase Advanced Care Planning
- Keep patients in care network
- Other specific strategies to improve quality and reduce spending





# Thank You!

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Questions????

# Bio

- Pat started her career as a Recreational Therapist working in psychiatric hospitals and drug treatment centers. Since Rec Therapy was almost always on the chopping block during budget time, she developed a fondness for regulations and found they that supported rec therapy but rarely funded it.... but, by developing more skills in regulation and quality her career progressed to more leadership roles. Then about 20 years ago the psych. hospital she worked at was up for sale and she would be facing another career change – at this time she considered her options..... become a professional poker player, go to law school, or go to nursing school. She was accepted into a nursing program and hasn't looked back.
- Pat O'Dea-Evans, is currently the Executive Director for Advocate Aurora Post-Acute Facility Based Programs. Pat has worked for the AAH Post-Acute Network for over eight years and has overseen the development of PAN's SNF and Assisted Living Network. This program was developed to support Advocate Aurora Health's Accountable Care Organization. AAH ACO is one of the largest ACO's in the nation. The SNF program is a provider-based program with about 50 APNs, RN's and physicians providing care to the AAH patients in about 60 different SNF's across IL and WI. Over the last eight years, with Pat's leadership, the PAN SNF program has undergone tremendous growth and achieved outstanding outcomes.
- This past year Pat coordinated involvement in the ECHO project, a collaboration among the Federal Agency for Healthcare Research and Quality (AHRQ), Project ECHO, Advocate Aurora Health, and the Institute for Healthcare Improvement (IHI) to advance improvements in COVID-19 preparedness, safety, and infection control in nursing homes.
- Pat has over 30 years of healthcare experience and has worked in case management, discharge planning, referral resource, elder care placement and acute rehab. In addition, to her IL and WI nursing license, she is also an IL licensed clinical professional counselor and Certified Care Manager. Pat has served as a subject matter expert for the CCM exam board and for United States Congresswoman Melissa Bean, she is a past member of the State of Illinois Health Facilities Planning Board, serving on the long-term care subcommittee and the Older Adult Services Board for the IL Department of Aging. She has published several articles and has received awards for her work. She is far from perfect as she decided to add a puppy to her family during the pandemic. Please welcome Pat in providing us with an update on ACO's...

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